

Addendum to
CIA Response to Questions Related to
Western Pacific and Indian Ocean Base Study

Chinese Communist Influence in the Area

What are the estimated maritime objectives, capabilities (including naval) and activities of the CPR in this area for the 1970-1980 period?

1. CPR naval and maritime activities in the western Pacific beyond Chinese coastal waters will increase considerably in the period from the present low level while Indian Ocean activities will remain limited. The naval and fishing fleets will probably extend their areas of normal operations beyond territorial waters into the China Seas, and Chinese merchant ships will carry a growing share of the country's trade with its Pacific and Indian Ocean trading partners. China will continue to view the security of the mainland as the paramount consideration in any outlook through 1980, and increases in Chinese naval activity will continue to reflect a defensive strategy.

2. Through the 1970's, the Chinese Communists will probably continue their naval development along well established lines. Emphasis will continue to be placed on providing the

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Chinese Communist Navy (CCN) with modern conventional weapon systems in order to improve its capability to control and defend coastal waters. About half-dozen missile submarines will probably be deployed by 1980, however, giving the navy an offensive capability against Far Eastern targets. China will probably have its one G-class missile submarine operational with missiles about 1970, and five more may be built and commissioned in the next ten years. G-class submarines can give effective coverage to targets in Asia and the Western Pacific.

3. To accomplish its defensive mission, the Chinese Communist Navy is developing a coastal defense force which includes patrol ships and a fairly modern submarine fleet capable of out-of-area operations. However, even though China's coastal defense capability has been increasing through the addition of ships the navy's ability to conduct extended and out-of-area operations remains largely untested. Therefore, until at least 1970, the CCN is expected to remain a "close-in" coastal defense force exerting little influence outside Chinese territorial waters.

4. Beginning in the early 1970's the CCN can be expected

to increase operations and to establish regular naval patrols beyond its immediate coastal waters. The increase in naval activity and influence in the East and South China Seas will probably be restricted to within several hundred miles of the China coast, and operations east of the China Seas, if any, will be infrequent and unusual exceptions to routine operations.

5. China will probably be able to exert only a negligible naval influence with conventional forces in the Indian Ocean unless considerable logistic support and operating bases were provided by a country in the area. Possible activity in this area includes missile range support and naval visits to Indian Ocean ports for political purposes.

6. Although Communist China's plan goals are unavailable in the fields of trade and merchant shipping for 1968-1980, present trends indicate that China's trade with key countries adjacent to the western Pacific and Indian Ocean will increase at moderate rates in the short run, at least. China's merchant fleet will probably grow at a faster rate than its foreign trade. Consequently, an increasing share of China's trade will be carried in its own ships. Despite restraints on

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the growth of China's foreign trade, the growth that does occur will lead to increased movements of Chinese Communist cargoes and ships through the western Pacific and Indian Ocean.

7. If present relationships and trends continue, China's main trading partners in the western Pacific will be Japan, USSR, Hong Kong, Australia, North Korea, and North Vietnam. China's chief imports from these countries include wheat, rubber, timber, fertilizer, cement, coal, industrial equipment, and chemicals. Her exports to the area include textiles, salt, foodstuffs, coal, and construction equipment. In the Indian Ocean (where China's total trade is about one quarter of the value of its trade with western Pacific nations) China's major trading partners are Malaysia, Singapore, Pakistan, Iraq, and Tanzania. Its exports to this area include food, textiles, coal, and construction materials; its imports include cotton, rubber, and sisal.

8. There are no Chinese Communist fishing fleet operations in the Indian Ocean at the present time. The lack of Chinese fishing ports or port rights on the Indian Ocean and the absence of modern, refrigerated fishing vessels

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precludes such operations. CPR fishing operations in the Indian Ocean are not likely to be undertaken before 1980 because of current underutilization of fishing grounds adjacent to the Chinese mainland. The fishing grounds within 20 miles of the 8,700 miles of coastline comprise almost 24 percent of the total fishing grounds of the world. At the end of 1962 (latest information available) only 10 percent of the total number of ports and bays suitable for fishing operations were being used for such operations. The most likely direction of expansion of the Chinese Communist fishing fleet operations, therefore, is in the continental shelf areas. It is doubtful that Communist China would have the capability or need to engage in long-range fishing in the Indian Ocean through 1980.